

(viii) **Class 8 – Preferred TSC Interests**

(a) **Classes 8a and 8b**

(i) **Classification:** Classes 8a and 8b consist of Preferred Series A TSC Interests and Preferred Series B TSC Interests, respectively.

(ii) **Treatment:** On the Effective Date, except to the extent a holder of an Allowed Preferred Series A TSC Interest or an Allowed Preferred Series B TSC Interest agrees to a less favorable treatment, each holder of an Allowed Preferred Series A TSC Interest or an Allowed Preferred Series B TSC Interest shall receive its Pro Rata share (calculated with reference to all Allowed Preferred Series A and B TSC Interests) of the New Common Stock, provided, however, that in the event of the sale and/or liquidation of all or substantially all of the TSC Debtors' assets pursuant to an order entered by the Bankruptcy Court, each holder of an Allowed Preferred Series A TSC Interest or an Allowed Preferred Series B TSC Interest shall receive its Pro Rata share (calculated with reference to all Allowed Preferred Series A and B TSC Interests) of the Sale Distribution. On the Effective Date, all Preferred Series A TSC Interests and Preferred Series B TSC Interests shall be deemed cancelled and shall be of no further force and effect, whether surrendered for cancellation or otherwise.

(iii) **Voting:** Classes 8a and 8b are Impaired by the Plan. Therefore, holders of Preferred Series A TSC Interests and Preferred Series B TSC Interests are entitled to vote to accept or reject the Plan.

(b) **Classes 8c – 8e**

(i) **Classification:** Classes 8c – 8e consist of the Preferred Series C TSC Interests, the Preferred Series D TSC Interests and the Preferred Series E TSC Interests, respectively.

(ii) **Treatment:** On the Effective Date, all Preferred Series C TSC Interests, Preferred Series D TSC Interests and Preferred Series E TSC Interests shall be deemed cancelled and shall be of no further force and effect, whether surrendered for cancellation or otherwise, and there shall be no distribution to the holders of Preferred Series C TSC Interests, Preferred Series D TSC Interests and Preferred Series E TSC Interests.

(iii) **Voting:** Classes 8c – 8e are Impaired and the holders of Preferred Series C TSC Interests, Preferred Series D TSC Interests and Preferred Series E TSC Interests are conclusively presumed to have rejected the Plan pursuant to Bankruptcy Code section 1126(g). Therefore, holders of Preferred Series C TSC Interests, Preferred Series D TSC Interests and Preferred Series E TSC Interests are not entitled to vote to accept or reject the Plan.

(ix) **Class 9 – Equity Interests**

(a) **Class 9a**

(i) **Classification:** Class 9a consists of the Other TSC Equity Interests.

(ii) **Treatment:** On the Effective Date, all Other TSC Equity Interests shall be deemed cancelled and shall be of no further force and effect, whether

surrendered for cancellation or otherwise, and there shall be no distribution to the holders of Other TSC Equity Interests.

(iii)

Voting: Class 9a is Impaired and the holders of Other TSC Equity Interests are conclusively presumed to have rejected the Plan pursuant to Bankruptcy Code section 1126(g). Therefore, holders of Other TSC Equity Interests are not entitled to vote to accept or reject the Plan.

(b) Classes 9b – 9i

(i)

Classification: Classes 9b – 9i consist of Other Equity Interests in TS Holdings (Class 9b); MVH Holdings Inc. (Class 9c); Motient Ventures Holding Inc. (Class 9d); Motient Holdings Inc. (Class 9e); Motient Communications Inc. (Class 9f); Motient Services Inc. (Class 9g); Motient License Inc. (Class 9h) and TerreStar New York Inc. (Class 9i).

(ii)

Treatment: In full satisfaction, settlement, release and discharge of and in exchange for the Reorganized TSC Debtors' agreement to make distributions, if any, to the holders of Allowed Unsecured Claims and Other Equity Interests under the Plan, to provide management services to certain other Reorganized TSC Debtors and to use certain funds and assets, to the extent authorized in the Plan, to satisfy certain obligations between and among such Reorganized TSC Debtors, each and every Other Equity Interest in Classes 9b – 9i shall, subject to any Restructuring Transaction, at the option of the Reorganized TSC Debtors (in consultation with the Designated Holders), either (i) be retained, in which case the TSC Debtor holding such Other Equity Interests shall continue to hold such Other Equity Interests, and the legal, equitable and contractual rights to which the holders of such Other Equity Interests are entitled shall remain unaltered or (ii) be cancelled and new Other Equity Interests in the applicable Other TSC Debtor shall be issued pursuant to the Plan to the Reorganized TSC Debtor that holds such Other Equity Interests. For the avoidance of doubt, if the holders of Allowed Unsecured Claims in Classes 4c – 4i receive the equity in the reorganized entity corresponding to their respective Allowed Unsecured Claim, the holders of the applicable 9c – 9i Other Equity Interests will receive no distribution.

(iii)

Voting: Class 9b is Unimpaired and the holders of Class 9b Other Equity Interests are conclusively presumed to have accepted the Plan pursuant to Bankruptcy Code section 1126(f). Classes 9c – 9i are either (a) Unimpaired and the holders of the applicable Class 9c – 9i Other Equity Interests are conclusively presumed to have accepted the Plan pursuant to Bankruptcy Code section 1126(f) or (b) Impaired and the holders of the applicable Class 9c – 9i Other Equity Interests are conclusively presumed to have rejected the Plan pursuant to Bankruptcy Code section 1126(g). Therefore, holders of Other Equity Interests in Classes 9b – 9i are not entitled to vote to accept or reject the Plan.

C. New TSC Notes

The Plan provides that, if a Spectrum Sale Transaction does not occur, each holder of a Class 4a or 4b Allowed Unsecured Claim may receive on the Initial Distribution Date and in full satisfaction, settlement, release and discharge of, and in exchange for such Class 4a and/or 4b Allowed Unsecured Claim, its Pro Rata share (calculated with reference to all Allowed Unsecured Claims in Classes 4a and 4b) of New TSC Notes in an aggregate amount such that each holder of an Allowed Unsecured Claim in Class 4a or 4b receives a 100% recovery on account of such Allowed Unsecured Claim in Class 4a or 4b, including post-petition interest at the federal